



JLOC: Subcommittee on Aging

Understanding our Changing State

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About AARP

- 37 million members; 1.1 million in North Carolina
- AARP is a nonprofit, nonpartisan organization
 - Helps people turn their goals and dreams into real possibilities,
 - Strengthens communities and fights for the issues that matter most to families such as healthcare, employment security and retirement planning
 - Advocate for consumers in the marketplace by selecting products and services of high quality and value to carry the AARP name
 - Help our members obtain discounts on a wide range of products, travel, and services.
- AARP is a trusted source for lifestyle tips, news and educational information,
 - Produce *AARP The Magazine*, the world's largest circulation magazine;
 - *AARP Bulletin*, the world's 2nd largest circulation periodical
 - www.aarp.org
 - AARP TV & Radio
 - AARP Books
 - AARP does not endorse candidates for public office or make contributions to political campaigns or candidates

We have entered a time of
profound and permanent change
to the demographic composition of the United States



Every day, **10,000**
boomers turn 65



By 2030 the U.S. will have **twice as many**
people over the age of 65 as we have today

Population Growth

Year	65+ Population	Total Population	65+ Share of Total Population
2000	34,991,753	281,421,906	12%
2007	37,887,958	301,621,157	13%
2030	72,092,000	373,504,000	19%
2050	88,547,000	439,010,000	20%

U.S. LIFE EXPECTANCY AT BIRTH

69

**For a person
born in 1960**

**4 years in
retirement?**

78

**For a person
born in 2010**

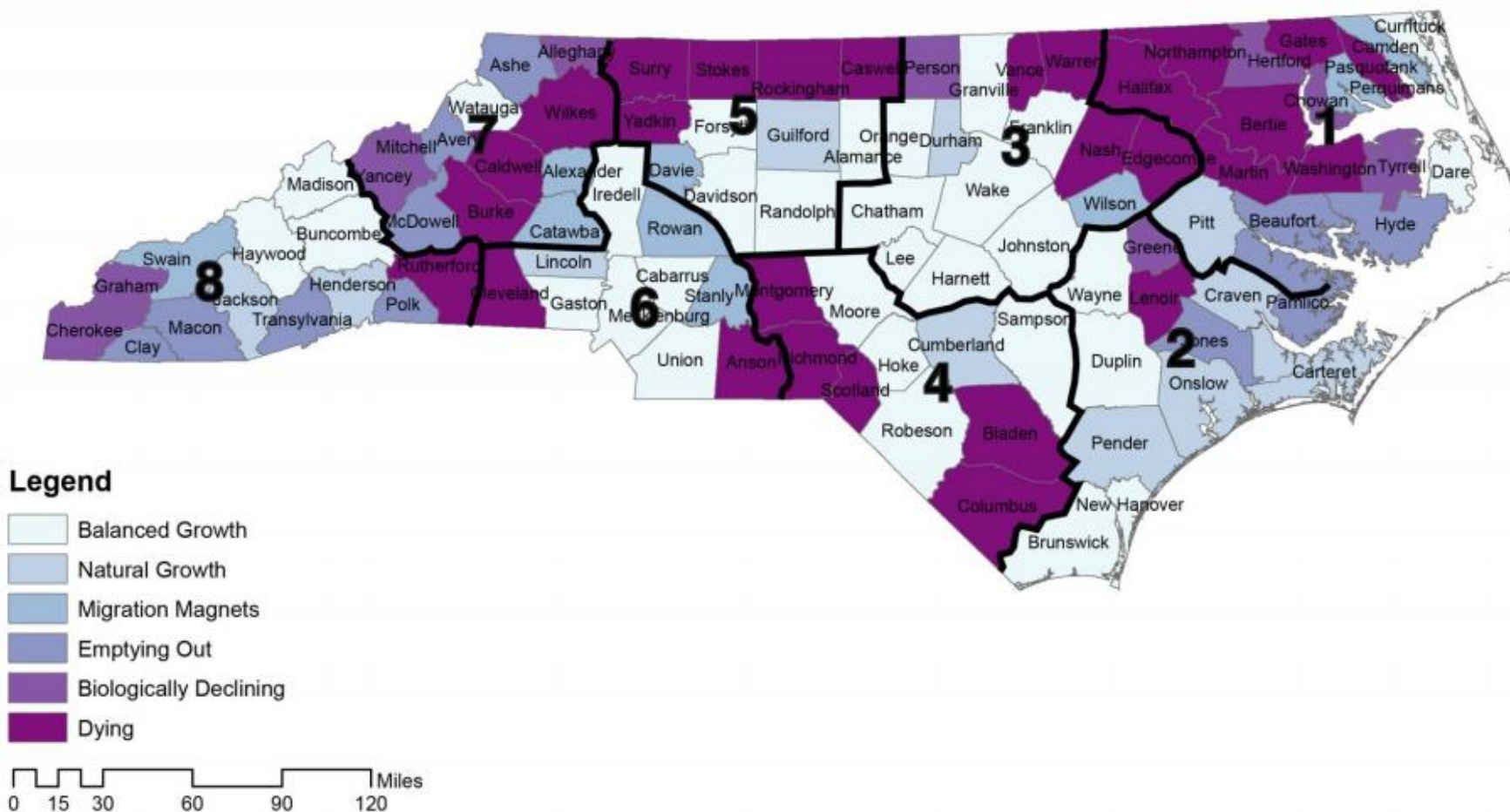
**13 years in
retirement?**

101

**For a person
born in 2030**

**36 years in
retirement?**

County Typologies, 2010 - 2014



Demographic Experience	Drivers
Balanced Growth	Births exceed deaths and in-migration exceeds out-migration.
Natural Growth	Out-migration exceeds in-migration but this population loss is offset by an excess of births over deaths.
Migration Magnets	Deaths exceed births but population loss is averted because in-migration exceeds out-migration.
Dying	Deaths exceed births and out-migration exceeds in-migration, resulting in population loss.
Biologically Declining	In-migration exceeds out-migration but his net migration is not substantial enough to offset an excess of deaths over births
Emptying Out	Births exceed deaths but out-migration exceeds in-migration, resulting in net population loss

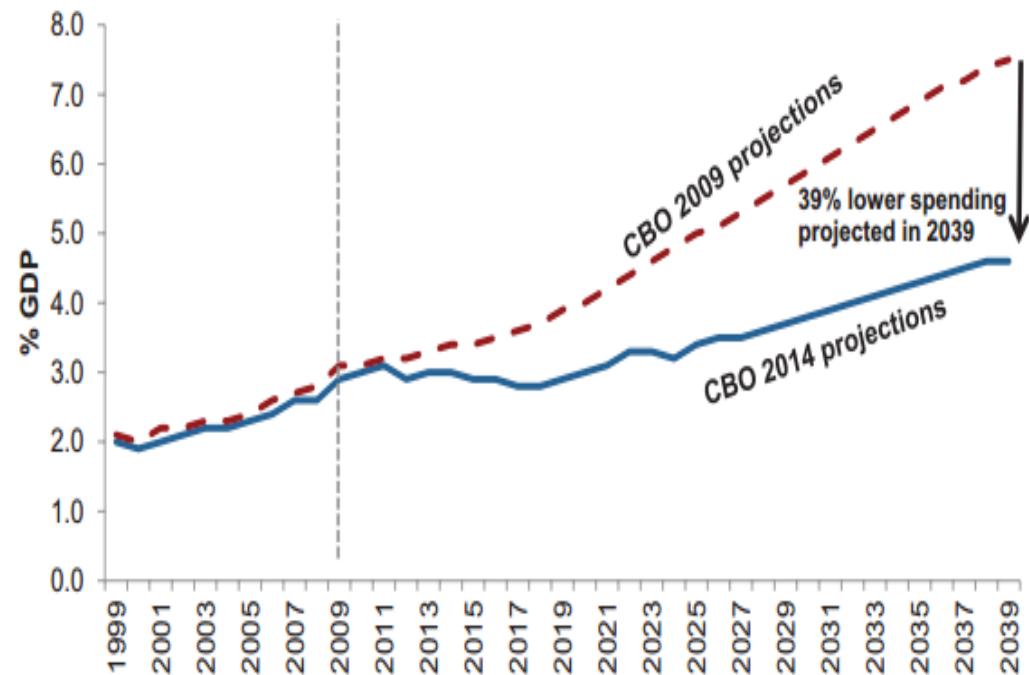
The Aging Trend's Implications

- 2005: children outnumbered seniors 3 to 1
- 2050: number of children will equal seniors
 - *(By comparison, by 2040 in Japan, Spain and Italy, almost half of their populations will be 65+)*
- In NC, 1.3 million people are caregivers – AND unpaid (worth \$13 BILLION in 2014 study)
 - 1 out of 5 workers age 50+ is a caregiver
 - 32% of family caregivers provide at least 21 hours of care a week, average is 62.2 hours
 - = lost economic productivity
 - = less income for counties

- **Affordable and accessible healthcare is essential**
- **1:2 people 50+ manage a chronic condition**
- About 85% of Medicare spending is attributed to 15% of beneficiaries managing multiple chronic conditions and long-term support services
 - In May 2015, US Senate Finance Committee established the bipartisan Chronic Care Working Group

**Healthy aging
=healthy workers
=stronger counties**

Figure 3
CBO Projections of Medicare Spending as a Percent of GDP Have Dropped Dramatically Since 2009



Personal Wealth

- About 1/2 of working Americans lack a retirement savings program
- 1/3 are not saving for retirement, and those who are have saved only a median of \$20,000. *(Wells Fargo survey)*
- Average working household has "virtually no retirement savings."
 - Median retirement account balance is \$3,000 for working-age households and \$12,000 for near-retirement households" *(National Institute on Retirement Security)*
- 14% of people age 65 and older have no retirement savings; 26% of those 50 to 64
- About 1/3 of Americans have only Social Security (\$1,300/month)
- Social Security's (Old-Age, Survivors, and Disability Insurance (OASDI) Trust Fund reserves are projected to be depleted between 2033 and 2037
 - About \$15,000/year per recipient
 - With payouts limited to 77% of earned benefits thereafter UNLESS adjustments are made to solve adequacy of the program

DISRUPT AGING

INNOVATING FOR THE 50+ AT AARP

“ We can no longer rely on what
we've done for the last 50 years. ”

Jo Ann Jenkins, CEO

Developed our Tom Sawyer Strategy



Rally companies AND communities to act in the interest of the 50+
and their families

Millennial and Boomer Trends



What are the similarities between Millennials and Boomers?

1. two largest generations in history-- both at life stages where community, socialization culture and entertainment are paramount.
2. Children are largely absent in the post-nests boomer and pre-nest millennial households.
3. 1/4 of Boomers live in central city/ 1/3 Millennials live in central city in 2011
4. Millennial car ownership and driver's license rates are declining. Since 2000, car ownership fell from 72% to 66%; licensed drivers declined from 86% to 83%

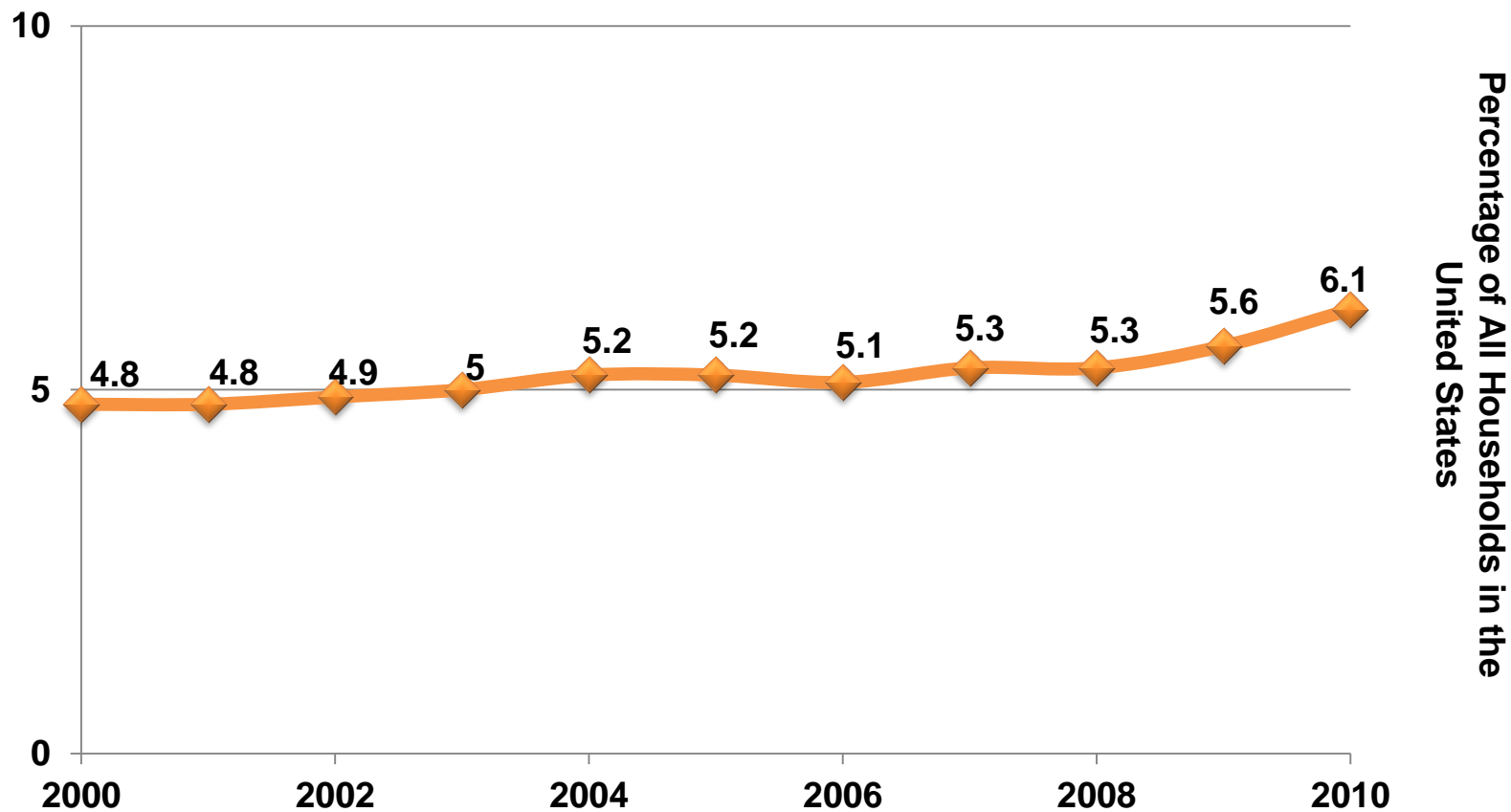
Changing Preferences



1. Live closer; drive less
2. 6 in 10 respondents would pick smaller home/lot if it meant a commute time of 20 minutes or less.
3. Americans see improving existing communities (57%) and building new developments within existing communities (32%) as much higher priorities than building new developments in the countryside (7%).
4. Improving public transportation is viewed as the best answer to traffic congestion by half of the country (50%).
5. Three in ten (30%) prefer building communities where fewer people need to drive long distances to work and shop. Far fewer want to see more roads (18%).

Multigenerational Households

Multigenerational Households as a Percentage of All Households
in the United States, 2000-2010



Source: AARP Public Policy Institute analysis of Current Population Survey Data

Survey after survey finds that **today's older adults want to remain in their homes**

78%

.....
of adults ages 45+ agree or strongly agree with the statement: "What I'd really like to do is stay in my current residence for as long as possible."

Source: AARP Home and Community Preferences of the 45+ Population, 2014



But most houses haven't been designed to adapt. In fact, American homes have traditionally been designed and built for **able-bodied 35 year olds**

Survey after survey finds that
**today's older adults
want to stay in their
community**

80%

.....
of adults ages 45+ agree
or strongly agree with the
statement: "What I'd
really like to do is stay in
my current community for
as long as possible."

Source: AARP Home and Community
Preferences of the 45+ Population, 2014

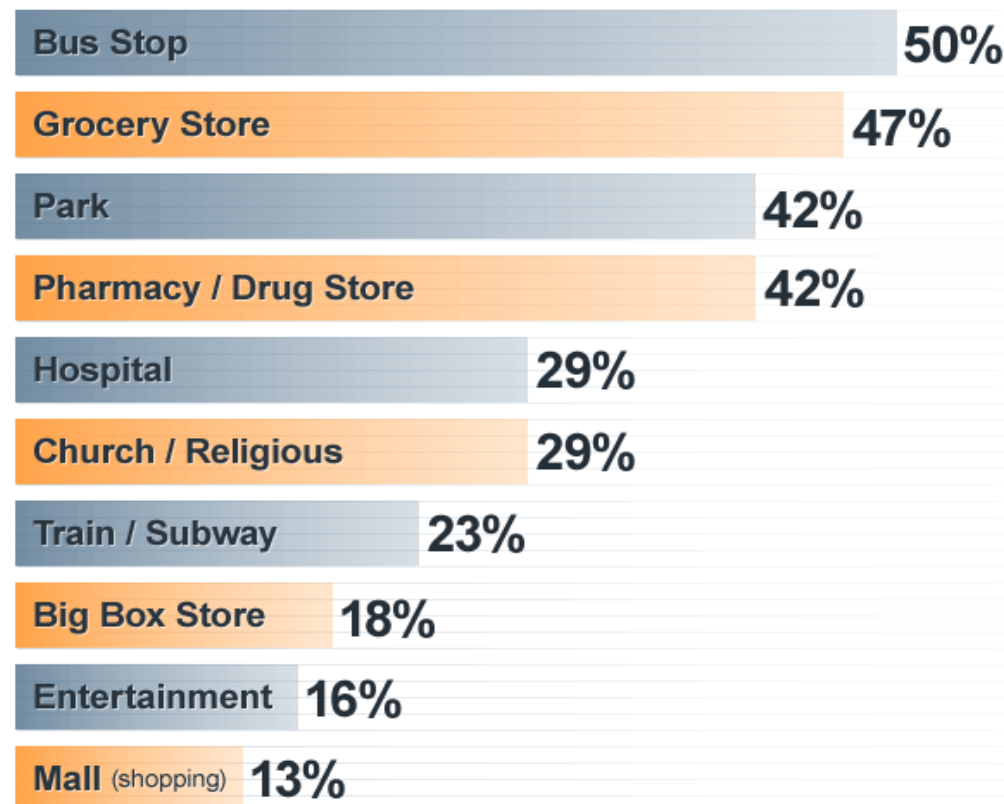


For the past 50 years, communities have
developed around cars and other motor
vehicles as our principal form of transportation

What Community Amenities Do Older Adults Want Close to Home?

We asked older adults what amenities they want close to home. Access to transportation, food, and green space top the list. These are among the many community indicators that we are measuring as part of the Livability Index project. Find out more about our livability research and the development of our index here: www.aarp.org/ppi/liv-com/

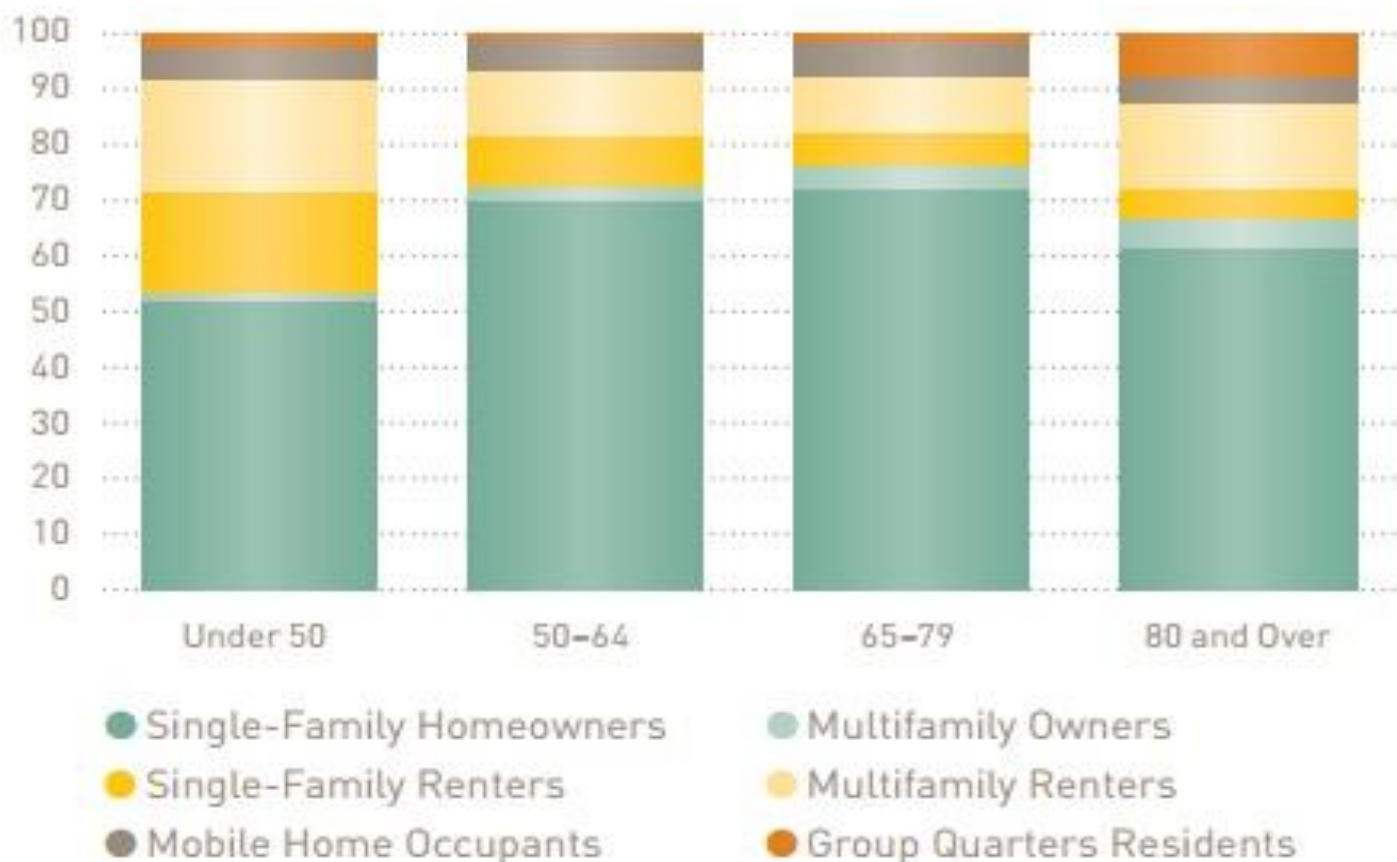
% endorsed within 1 mile or less



Source: AARP Public Policy Institute

Even at Advanced Ages, the Vast Majority of Older Adults Lives in Private Homes

Share of Population by Age Group (Percent)



Notes: Mobile home occupants include owners and renters living in trailers, boats, RVs, vans, and other structures. Group quarters residents may live in either institutional or non-institutional facilities.

Source: JCHS tabulations of US Census Bureau, 2012 American Community Survey.

Our Programs



AARP Livable Communities Definition

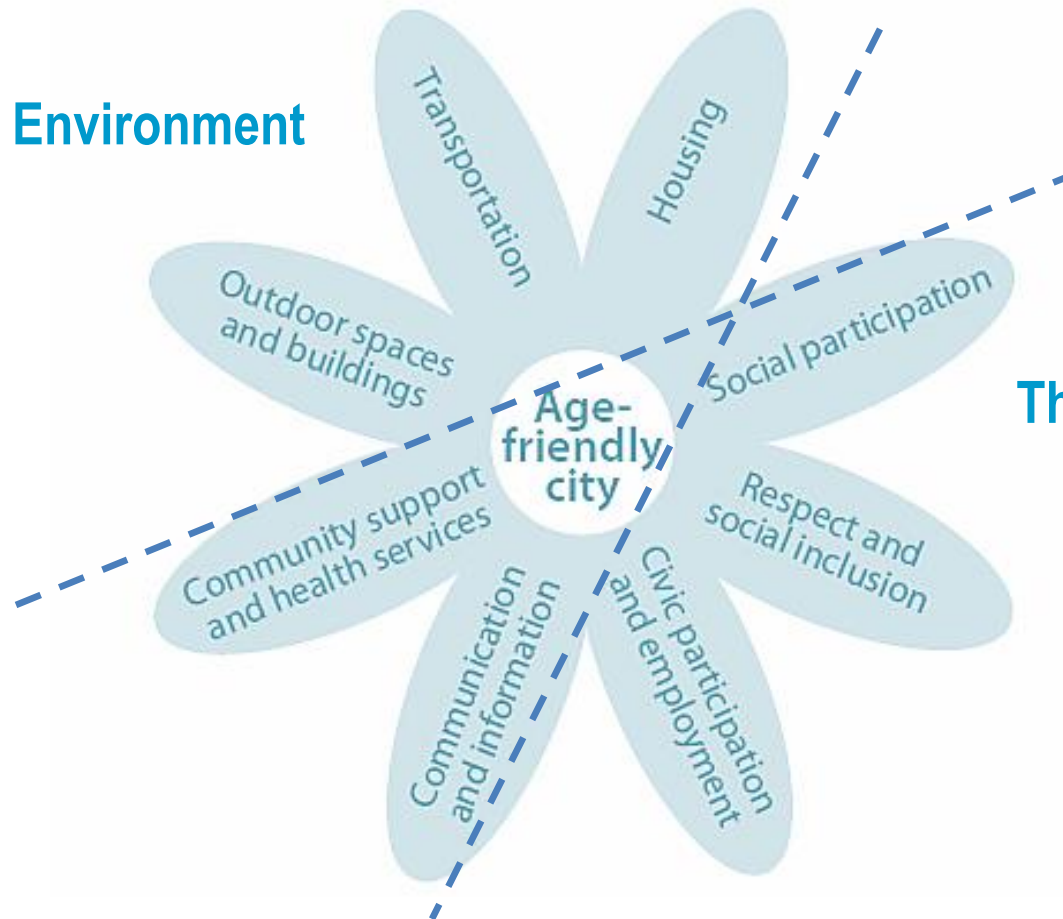
“Affordable and appropriate housing, supportive community services, and adequate mobility options, which facilitate personal independence and the engagement of residents in civic and social life.”



The **AARP**® Network of Age-Friendly Communities

Real Possibilities

The Built Environment



The Social Environment



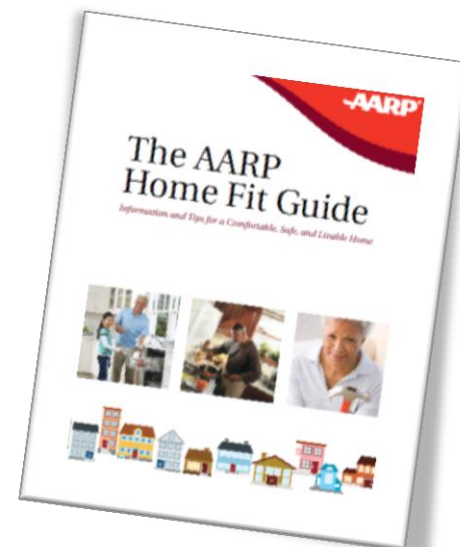
Active Living Workshops



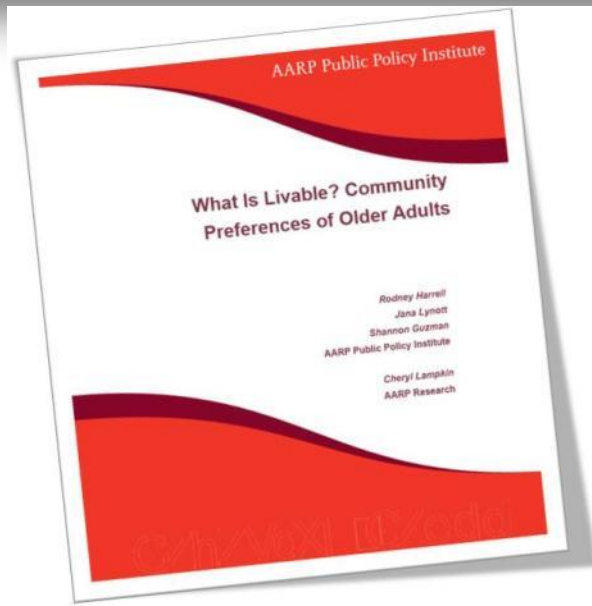
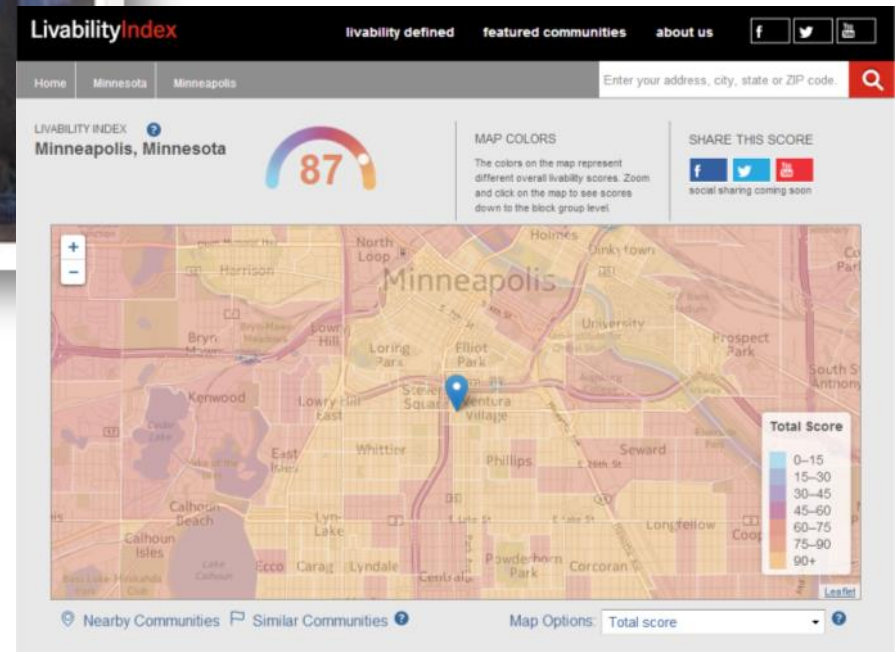
Walkability Audits



Home Fit Workshops

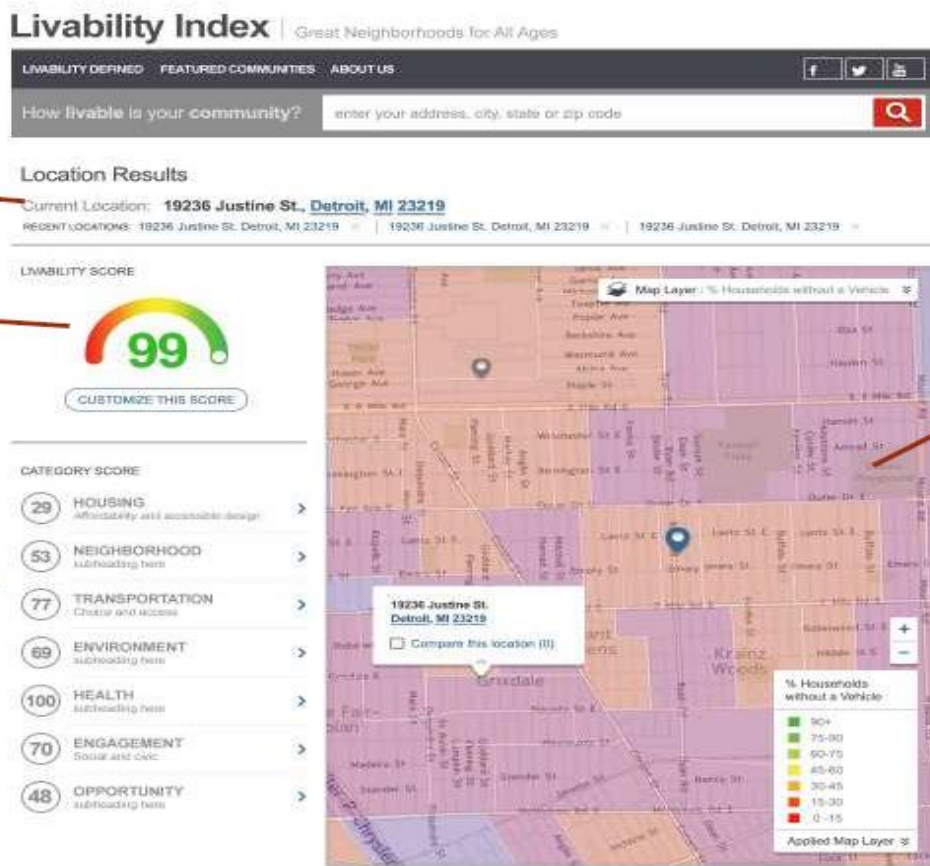


Advocacy and Policy



Helping people live better

THE LIVABILITY INDEX: GREAT NEIGHBORHOODS FOR ALL AGES



Searched
location

Livability
score

Livability
categories

Legislature's Role

- Understand the impacts of family caregiving
 - Workforce flexibility for caregivers
 - Recognizing and supporting role of family caregivers in healthcare facilities and after discharge
- Understand and nudge preparation for family legal issues:
 - Advanced directives
 - Powers of Attorney
 - Wills
 - Fiduciary financial planning
- Fraud Prevention
 - Increased exploitation, esp. Veterans; AA/B; widows
 - Investigative tools and information sharing
 - Insufficient statewide coordination
- Preparing local communities
 - Reconsidering zoning, land use, infrastructure, social programs, local taxes on seniors
 - More age-friendly communities
- Using tax policy and leveraging NC's climate & Quality of Life to attract wealthier retirees and direct investment
 - Atlanta's economic impact: 1K new out-of-state retirees = \$8BILLION impact
 - NC's seniors are poorer than neighboring states, costing NC more public spending per capita

Thank you

